



SAMPLE
TRANSIENT OCCUPANCY
RETURN

68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234
(760) 202-2406

January 28, 2013

«FirstName» «LastName»
«Company_Owner»
«Company»
«Address»«Address_2»
«City», «State» «PostalCode»

PLEASE COMPLETE ONE FORM FOR EACH REGISTERED PROPERTY ADDRESS

PROPERTY ADDRESS	MONTH OF	DUE DATE	DELINQUENT IF NOT RECEIVED BY
	January	February 28, 2013	February 28, 2013

RETURN MUST BE FILED EVEN IF NO TAX IS DUE

1. Total receipts from all room rentals		
2. Add increasing adjustments – Prior months (explain).....		
3. Adjusted room rental receipts (total lines 1 and 2)		
ALLOWABLE DEDUCTIONS		
4. Occupancies of over 30 days (List Names and Amounts)		
5. Bad Debts – Uncollectible accounts (List Names and Amounts)...		
6. Decreasing adjustments – Prior months (explain)		
7. Total deductions (lines 4 through 6)		
8. Taxable receipts (line 3 minus line 7)		
9. Amount of occupancy tax due (12% of line 8)		
10. Penalty on tax due if not received in our office by the date shown above.	Penalty	
11. Interest on tax per month on the unpaid tax and penalty not received in our office by the original due date.	Interest	
12. Tax adjustment – Per correction notice from City if applicable.....		
13. Total amount due and payable (lines 9 through 12)		

SIGNED _____ TITLE _____

DATE _____

Executed at Cathedral City or _____.

If executed outside the State of California, statement must be notarized.

NOTE: Mailed returns shall be deemed timely filed only if the envelope or similar container enclosing the returns and taxes is addressed to the tax administrator, has sufficient postage and bears a United States postmark or a postage meter imprint prior to midnight on the last day for reporting and remitting without penalty.

The following is offered as additional clarification to the Municipal Code regarding Transient Occupancy Tax collection. All Operators must adhere to the following requirements in compiling, reporting and remitting TOT tax. References to applicable sections of the Municipal Code are shown.

➤ Definitions [Section 3.24.010]

“Transient” means any person who exercises occupancy for a period of **30 days or less**.

There is no exception to the above requirement for operators that charge “monthly rates”. If occupancy is less than 31 continuous days, regardless whether it transpires during a month such as February, the occupancy is defined as transient and requires the payment of the Transient Occupancy Tax. The operator is required to calculate the occupancy from the first date of occupancy until the final date of occupancy. Only if the total continuous duration of occupancy exceeds 30 days is the Transient Occupancy Tax not assessed.

There is no exception in the Municipal Code to define occupancy in a single family home, multiple family dwelling or other place of occupancy that is rented to an individual or individuals. Therefore rental of a single family home, multiple family dwelling or other place of occupancy for a period of 30 days or less is subject to collection of a Transient Occupancy Tax.

“Rent” includes room charge, registration fee, resort fee, cancellation fee, and any other charge that is not optional to the guest. Fees which are NOT OPTIONAL to the transient occupant/guest are included as “Rent” and are subject to the application of a Transient Occupancy Tax. As an example, if a “parking fee” is charged to the occupant regardless if the occupant has a vehicle to park, the “parking fee” would be included in the “Rent”. If a fee is charged separately and only if the occupant so chooses the service, the fee is not included in the “Rent”. Fees such as “pet fees” or “resort fees” could potentially not be included in the “Rent” if they are optional and not charged to every occupant.

If in doubt as to the applicability of a Transient Occupancy Tax to a specific fee charged, please contact the Tax Administrator in writing for a written determination.

Failure to collect the appropriate Transient Occupancy Tax does not excuse the establishment from paying the amount due.

➤ Operator duties and accounting requirements [Section 3.24.040]

Each operator shall account separately for, and maintain separate monthly summary totals for taxable and nontaxable rents and for taxes collected.

Each operator shall maintain its financial and accounting records in accordance with established accounting practices acceptable to the tax administrator. Records of collection and remittance of the tax shall be maintained by the operator and made available to the tax administrator upon request for a period of three years.

Transient Occupancy Tax Returns

➤ TOT Return [Line 1] Total Receipts

Each tax return is for a specific calendar month.

The rent to be reported on line 1 of the return is all revenue, whether or not received, that was generated for rooms during that period. Both taxable and non taxable revenue is to be included in line 1 of the return. Reporting of revenue is not based upon when cash is received.

➤ TOT Return [Line 2] Adjustments

Enter any additions related to prior months reported revenues. Attach details for all adjustments

➤ TOT Return [Line 3] Adjusted Room Receipts

Add line 1 and 2 for adjusted room receipts.

➤ TOT Return [Line 4] Occupancies of over 30 days

Provide detail list of occupancies over 30 days and enter total here.

➤ TOT Return [Line 5] Bad Debts

Enter any returned check amounts for previously reported revenue. Include name and occupancy dates.

Note: Any future collections should be reported on the adjustment line and provide same descriptions as original deduction for bad debt.

➤ TOT Return [Line 6] Decreasing Adjustments

All decreasing adjustments must have detailed information attached.

For occupancies over 30 days, after including that portion of revenue generated during the current month on line 1, enter a reduction on line 2 for the total charges of the extended stay. If the stay began in a prior reporting month, the deduction would include that portion of the revenue reported in prior months plus that portion of the revenue included in the current month.

➤ TOT Return [Line 7] Total Deductions

Add lines 4 through 6 on the return.

➤ TOT Return [Line 8] Taxable Receipts

Line 3 minus line 7.

➤ TOT Return [Line 9] Amount of Occupancy Tax Due

Multiply line 8 by 12%.

- TOT Return [Line 10] Penalty
Any return not received at the City by the due date shall pay 10% of the tax as penalty.
- TOT Return [Line 11] Interest
Interest accrues at a rate of ½% per month on any unpaid tax due the City. Unpaid tax includes original tax, any penalty, and accrued interest from prior months delinquent.
- TOT Return [Line 12] Tax Adjustment
Per correction notice from City if applicable.
- TOT Return [Line 13] Total Amount Due and Payable
Add lines 9 through 12.